
A BILL FOR AN ACT

RELATING TO DIGITAL EQUITY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that digital equity
2 across the State and in every community is essential to the
3 well-being and economic realities of the State's residents. The
4 need for digital equity is significant, highlighted by the
5 devastating impacts of the recent coronavirus disease 2019
6 pandemic. The lack of digital equity has had a tremendously
7 negative effect in many areas, but particularly socio-
8 economically disadvantaged communities.

9 The legislature further finds that digital equity has meant
10 the difference between an employee being able to work remotely
11 or possibly facing unemployment. Additionally, digital literacy
12 and broadband access are critical tools for those seeking to
13 access social services such as unemployment claims, Supplemental
14 Nutrition Assistance Program (SNAP) benefits, vital records, and
15 other essential government, educational, and medical services.

16 The legislature further finds that digital equity in the
17 State would enhance Hawaii's overall economic development,



1 education, health care, and emergency services. Making grants
2 available to achieve digital equity for disadvantaged
3 populations would move the State toward universal access to
4 broadband services.

5 The legislature strongly supports efforts to improve
6 digital equity for residents, consumers, and businesses across
7 the State.

8 The purpose of this Act is to identify and address any
9 remaining obstacles to digital equity in all areas of the State
10 by establishing the digital equity grant program to award grants
11 and create an environment in which all individuals and
12 communities in the State have the information technology
13 capacity needed for full participation in society, democracy,
14 and the economy.

15 SECTION 2. The Hawaii Revised Statutes is amended by
16 adding a new chapter to title 13 to be appropriately designated
17 and to read as follows:

18 **"CHAPTER**

19 **DIGITAL EQUITY GRANT PROGRAM**

20 § -1 **Definitions.** As used in this chapter:

21 "Broadband" means high-speed internet.



1 "Broadband infrastructure" means the medium used to provide
2 broadband service, including fiber optic cable, copper cable,
3 coaxial cable, and wireless media, such as satellite
4 communications, wireless networks, and worldwide
5 interoperability for microwave access.

6 "Covered household" means a family whose income for the
7 most recent full year is no more than two hundred per cent of
8 the federal poverty level.

9 "Covered populations" means:

- 10 (1) Individuals who live in covered households;
11 (2) Individuals aged sixty years and older;
12 (3) Incarcerated individuals, other than individuals who
13 are incarcerated in a federal correctional facility;
14 (4) Veterans;
15 (5) Individuals with disabilities;
16 (6) Individuals with a language barrier, including
17 individuals who:
18 (A) Are English learners; and
19 (B) Have low levels of literacy;
20 (7) Individuals who are members of a racial or ethnic
21 minority group;



1 (8) Individuals who primarily reside in a rural area; and

2 (9) Homeless or unsheltered individuals.

3 "Department" means the department of business, economic
4 development, and tourism.

5 "Digital equity" means a condition in which all individuals
6 and communities have the information technology capacity needed
7 for full participation in society, democracy, and the economy.

8 "Digital equity services" means a service that increases
9 digital literacy and broadband access in covered populations.

10 "Office" means the Hawaii broadband and digital equity
11 office.

12 "Program" means the digital equity grant program
13 established by this chapter.

14 "Project" means a proposed digital equity project set forth
15 in an application for grant funding authorized by this chapter.

16 "Project area" means an area that is proposed to be covered
17 in an application for grant funding authorized by this chapter.

18 § -2 **Digital equity grant program; establishment.** There
19 is established a digital equity grant program, which shall be
20 placed within the office for administrative purposes. The



1 office shall receive and review grant applications and may award
2 grants for eligible projects pursuant to the program.

3 § -3 **Eligible projects.** To be eligible for a grant, the
4 area to be served by the project shall include covered
5 populations on the date the application is submitted. Projects
6 that include the deployment of broadband infrastructure shall be
7 ineligible for a grant.

8 § -4 **Applicant preference.** In making awards, the office
9 shall give preference to applicants that are non-governmental
10 entities with demonstrated experience in providing digital
11 equity services to covered populations. Governmental agencies
12 may apply and shall be evaluated on a case-by-case basis.

13 § -5 **Applications.** (a) The office shall establish an
14 annual time period during which it shall accept applications for
15 funding under the program. The time period for submission shall
16 be no less than sixty days and no more than ninety days.

17 (b) The form of the application shall be as prescribed by
18 the office and shall include:

19 (1) Evidence demonstrating the applicant's experience and
20 ability to plan, organize, staff, and deliver digital



- 1 equity services to covered populations within the
2 State;
- 3 (2) A description of the project area and covered
4 population to be served;
- 5 (3) A description of the project that is proposed to be
6 deployed, including specific goals to increase digital
7 literacy and broadband access, methods, metrics,
8 facilities, equipment, staff, and resources;
- 9 (4) A plan to tailor public awareness and outreach to
10 include non-English speaking covered populations with
11 consideration for linguistic, cultural, generational,
12 and literacy challenges;
- 13 (5) Evidence, including certification from the applicant,
14 demonstrating the nature of the current digital
15 inequity in the proposed project area and covered
16 population;
- 17 (6) The number of people in each covered population that
18 would gain access to broadband service as a result of
19 the project;
- 20 (7) The total cost and timeline for completion of the
21 project;



- 1 (8) The amount of matching funds that the applicant
2 proposes to contribute and a certification that no
3 portion of the matching funds are derived from any
4 state government grant, loan, or subsidy;
- 5 (9) Evidence demonstrating the economic feasibility of the
6 project;
- 7 (10) A list of all expected government authorizations,
8 permits, and other approvals required for the project
9 and a timeline for the applicant's acquisition of the
10 approvals;
- 11 (11) A certification that no other federal or state program
12 provides funding that is available to the applicant
13 for the project; and
- 14 (12) Any other information deemed necessary by the office.

15 **§ -6 Review of applications; confidential treatment;**
16 **approval.** (a) Within five business days following the deadline
17 to submit applications for the program, the office shall make
18 all the applications available for review in a publicly
19 available electronic file posted on the office's or department's
20 website.



1 (b) To the extent the information in an application or a
2 challenge to an application falls under one or more of the
3 exceptions to public disclosure in section 92F-13, the office
4 shall keep the information confidential upon request by:

5 (1) An applicant for confidential treatment of an
6 application, except that in no event shall a request
7 for confidentiality prevent the publicly available
8 portion of the application from including sufficient
9 evidence to demonstrate the requirements of
10 section -5(b)(2) and -5(b)(5); or

11 (2) A challenging applicant for confidential treatment of
12 a challenge submitted pursuant to this section.

13 (c) In reviewing applications and any challenge to an
14 application, the office shall review the proposed projects to
15 ensure that all awarded funds are used to deploy eligible
16 projects under section -3.

17 (d) The office shall award program grants based on a
18 scoring system that shall be released to the public at least
19 thirty days prior to the first day of the time period for the
20 submission of applications. The scoring system shall give the
21 highest weight or priority to the following:



- 1 (1) Projects proposing to serve larger covered
2 populations, with consideration to projects proposing
3 to serve smaller, difficult to access, or neglected
4 covered populations;
- 5 (2) Applicants with more experience and technical ability
6 to successfully deploy digital equity projects to
7 covered populations and more financial or other
8 resources available to assist the project;
- 9 (3) Projects for which fewer government funds and less
10 support are needed to deploy digital equity in an
11 economically feasible manner;
- 12 (4) Projects with a higher amount of matching funds
13 proposed to be committed by the applicant;
- 14 (5) Projects that do not duplicate any existing project in
15 the project area; and
- 16 (6) Other factors the office determines to be reasonable,
17 appropriate, and consistent with the purpose of
18 facilitating the deployment of projects to covered
19 populations.

20 § -7 **Hawaii broadband and digital equity office**
21 **authority.** The office may:



- 1 (1) Consider an applicant's financial ability to complete
2 the project proposed in an application;
- 3 (2) Make reasonable requests for information necessary for
4 the oversight and administration of any project funded
5 pursuant to this chapter;
- 6 (3) Impose any new or additional regulatory requirements
7 on grant recipients, through grant agreements or any
8 other mechanism, in addition to the program
9 implementation rules expressly authorized by this
10 chapter;
- 11 (4) Deny or cancel a project if the office finds the
12 project will impact federal funding opportunities; and
- 13 (5) Following notice and an opportunity to cure, require
14 disgorgement of grant funds in response to an
15 applicant's pattern of failure to achieve digital
16 equity goals in accordance with the timelines and
17 milestones set forth in its application.

18 § -8 **Rules.** (a) The department shall adopt rules
19 pursuant to chapter 91 to effectuate the purposes of this
20 chapter.

21 (b) The rules shall:



- 1 (1) Include reasonable oversight and reporting provisions
- 2 to ensure that grant moneys are used as intended; and
- 3 (2) Not impose any financial penalty or liquidated damages
- 4 provisions or provisions that are not reasonably
- 5 related to the deployment of programs in the State in
- 6 accordance with this chapter."

7 SECTION 3. Within six months after the effective date of
8 this Act, the department of business, economic development, and
9 tourism shall adopt rules pursuant to chapter 91 and
10 section -8, Hawaii Revised Statutes, to implement the digital
11 equity grant program; provided that any rules adopted pursuant
12 to this section shall include rules regarding the submission,
13 review, and approval of applications; administration of the
14 projects funded; and grant agreements memorializing the award of
15 funds.

16 SECTION 4. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$5,000,000 or so much
18 thereof as may be necessary for fiscal year 2023-2024 and the
19 same sum or so much thereof as may be necessary for fiscal year
20 2024-2025 for the digital equity grant program established by
21 this Act.



1 The sums appropriated shall be expended by the department
2 of business, economic development, and tourism for the purposes
3 of this Act.

4 SECTION 5. This Act shall take effect on June 30, 3000.



Report Title:

Digital Equity Grant Program; Digital Literacy; Broadband Access; Department of Business, Economic Development, and Tourism; Hawaii Broadband and Digital Equity Office; Appropriation

Description:

Establishes the digital equity grant program to award grants to applicants to deploy digital equity projects to covered populations in the State. Appropriates funds. Effective 6/30/3000. (HD2)

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